



## U.S. Customs and Border Protection

## Intellectual Property Rights

# FACT SHEET

U.S. Customs and Border Protection (CBP) enforces Intellectual Property Rights (IPR) at U.S. borders, most visibly by seizing products that infringe IPR such as trademarks, copyrights, and patents. The theft of intellectual property and trade in fake goods threatens America's economic vitality and national security, and the American people's health and safety. Trade in these illicit goods funds criminal activities and organized crime.

To protect both private industry and consumers, CBP has made IPR enforcement a priority trade issue. CBP has developed a multi-layered, strategic approach to IPR enforcement. In addition to seizing goods at U.S. borders, the strategy includes expanding the border through post-import audits of companies that have been caught bringing fake goods into the U.S. and collaboration with our trading partners, and partnering with industry and other Federal agencies to enhance these efforts. CBP also issues civil fines and, where appropriate, refers cases to other law enforcement agencies for criminal prosecution.

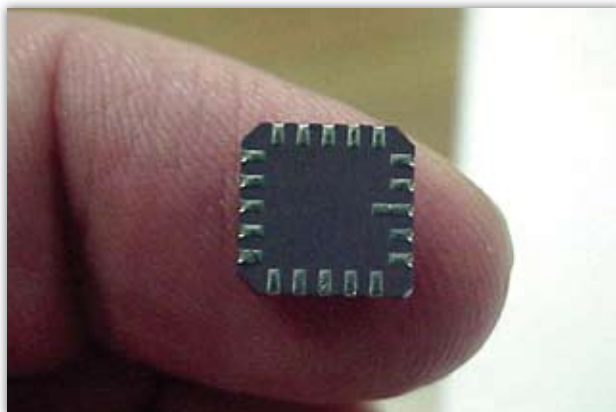
Seizures of counterfeit and pirated goods by CBP and U.S. Immigration and Customs Enforcement (ICE), have increased dramatically: in fiscal year 2008, CBP and ICE seized IPR infringing goods with a domestic value of more than \$272 million, an increase of more than 38 percent in value from the previous year.



Computer circuitry such as this is valuable and frequently counterfeited—one of many items of special concern for CBP.

Seizures of counterfeit goods with potential safety and security hazards jumped more than 120 percent to \$62.5 million in domestic value in fiscal year 2008, reflecting the priority placed on protecting Americans from the dangers of these goods. Products

seized include counterfeit electrical articles, semiconductors, pharmaceuticals, batteries, auto parts, perfume, and food.



Computer chips like this one are routinely counterfeited—and since they are so small, pose a challenge to CBP officers to intercept.

CBP uses technology to increase interdiction of fake goods, facilitate partnerships with industry and enhance enforcement efforts through the sharing of information and intelligence. CBP is refining its risk modeling technology to more accurately identify suspected shipments of counterfeit and pirated goods for inspection. Rights holders can use our web-based tool, e-Recordation, to record their trademarks and copyrights with CBP. Recordation makes information on protected rights available to CBP offices throughout the U.S. Our online trade violation reporting system, e-Allegations, makes it easier for the private sector to notify CBP of possible IPR violations and other trade violations.

In IPR audits, an innovative enforcement practice, CBP audits the business records of companies at high risk for importing counterfeits, issues penalties for infringing goods uncovered in the audits, and works with companies to improve their internal controls. Since the inception of IPR audits in 2005, CBP has completed over 40 IPR audits and issued almost \$6,000,000 in fines for IPR violations found during the audits.

CBP is a partner in the National Intellectual Property Rights Enforcement Center, which is led by ICE. The IPR Center is designed to leverage the resources and authorities of partner agencies for criminal enforcement of IPR. ❖